Please amend the claims to read as indicated in the following list of claims:

1. [Currently amended] A camera comprising:

- a first subsystem for electronically downloading, from externally of the camera, first digital image data representing a first image from an inductively-powered memory module, the first subsystem being arranged to inductively power the memory module when juxtaposed the latter;
- a second subsystem for converting an optically-input second image into second digital image data which changes as the scene pointed to by the camera changes;
- an image-combining arrangement for forming a combined picture by combining the images represented by the first image data and the current second image data, the image-combining arrangement including a display for viewing the combined picture and user-operable first-image control means for electronically controlling the positioning ~~and/or size~~ of the first image in the combined picture; and
- a picture storage arrangement responsive to user input to store said combined picture.

2. [Original] A camera according to claim 1, wherein the first-image control means is arranged to incrementally control the positioning of the first image in the combined picture.

3. [Original] A camera according to claim 1, wherein the first subsystem is arranged to store said first image data on a temporary basis with currently-stored first image data

being replaced by any new first image data downloaded to the camera.

4. [Original] A camera according to claim 1, wherein the image-combining arrangement is arranged to place the first image in foreground relation with the second image.

5. [Original] A camera according to claim 1, wherein the image-combining arrangement is arranged to place the first image in background relation with the second image.

6. [Original] A camera according to claim 1, wherein the first subsystem comprises an interface for reading the first image data from a memory module installed in the environment.

7. [Original] A camera according to claim 1, wherein the first subsystem comprises means for reading a reference stored in the local environment and for using the reference to wirelessly retrieve said first image data.

8. [Original] A camera according to claim 1, wherein the first subsystem comprises means for deriving the location of the camera and for using this location to wirelessly retrieve said first image data.

9. [Currently amended] A method of capturing a composite picture using a camera, comprising:

- electronically downloading to the camera first digital image data representing a first image;

- converting an optically-input second image into second digital image data which changes as the scene pointed to by the camera changes;
- forming a combined picture at the camera by combining the images represented by the first image data and the current second image data, the combined picture being displayed and its composition being controlled both by changing the direction of the camera to change the second image and by electronically controlling the positioning ~~and/or size~~ of the first image in the combined picture; and
- storing said combined picture.

10. [Original] A method according to claim 9, wherein in the combined picture the first image is placed in foreground relation with the second image.

11. [Original] A method according to claim 9, wherein in the combined picture the first image is placed in background relation with the second image.

12. [Original] A method according to claim 9, wherein the first image data is downloaded from a memory module installed in the environment.

13. [Original] A method according to claim 9, wherein the first image data is downloaded over a wireless connection using an image reference read from the local environment.

14. [Original] A method according to claim 9, wherein the location of the camera is determined and used as a

reference for retrieving the first image data over a wireless connection.

15. [Original] A camera according to claim 1, wherein user-operable first-image control means is arranged to permit the size of the first image in the combined picture to be electronically controlled.

16. [New] A method according to claim 9, wherein the size of the first image in the combined picture is electronically changed prior to storage of the combined image.

17. [New] A system comprising a camera, and an inductively-powered memory module which is external to the camera and which stores first digital image data representing a first image; the camera comprising:

a first subsystem for inductively powering the memory module to download the first digital image data therefrom;

a second subsystem for converting an optically-input second image into second digital image data which changes as the scene pointed to by the camera changes;

an image-combining arrangement for forming a combined picture by combining the images represented by the first image data and the current second image data, the image-combining arrangement including a display for viewing the combined picture and user-operable first-image control means for electronically controlling the positioning of the first image in the combined picture; and

a picture storage arrangement responsive to user input to store said combined picture.